have resulted in alleged siphoning of foreign exchange to the tune of Rs. 40.44 crores approximately. Reports indicate that earlier also certain unscrupulous importers had similarly imported books as medical and technical literature at over-invoiced value in the names of fictitious firms.

(d) The Customs authorities remain alert against such offences. Persons found involved are penalised in departmental adjudication and are also prosecuted in Courts of Law in suitable cases. They are also detained under the Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974, if considered necessary.

Non-official Directors of State Bank of Indore

246. SHRI RAM NARESH YADAV: Will the Minister of FINANCE be pleased to state:

(a) what are the names of non-official Directors of State Bank of Indore as on date;

(b) what is the term of office of these Directors alongwith their emoluments and how many of them have held this office for mote than five years; and

(c) what are the names of the Directors whose terms have since expired?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI) : (a) to (c) Appointment of non-official Directors on the Boards of subsidiary banks of State Bank of India including State Bank of Indore is made in accordance with the provisions of Section 25(1) of State Bank of India (Subsidiary Banks) Act, 1959. The particulars of non-official Directors who are at present on the Board of Directors of State Bank of Indore are given below;—

.No.	Name of the non-official Director	Date of appointment	Section of State Bank of India (Subsidiary Banks) Act 1959 under which nominated
	Dr. J'. Shrivastava	18-10-88	25(l)(c)
2	Smt. Kusum Wig .	20-1-89	25(l)(d)
3	Dr. R.D.Agrawal . •	20-1-89	25(l)(d)

As per the present provisions of State Bank of India (Subsidiary Banks) Act, 1959, non-official Directors nominated/elected u/s 25(1) (c) and 25(1) (d) shall hold office for three years and thereafter until their successors are duly nominated/elected and shall be eligible for re-nomination/re-election, provided that no non-official Director shall hold office continuously for a period exceeding six years. None of the existing non-official Directors have held office for more than five years. No emoluments are payable to these Directors excepting sitting fee @ Rs, 150/- for attending the meetings of the Board and Rs. 75/- for attending meetings of the Executive Committee. The term of two non-officia-directors viz. S/Shri S.K. Khandelwal and Vijaysingh on the Board of State Bank of Indore has expired on 14-6-1989.

Role of Managing Director of State Bank of Indore **in** the sale **of** Lottery Tickets

247. SHRI RAM NARESH YADAV: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the then Managing Director of the State Rank of Indore, Head office, had issued some circulars in connection with the sale of lottery tickets and if so, the details in this regard

(b) the total value of lottery tickets sold at the branches of the Bank in the country and under what rules these tickets were sold;

(c) the details branchwise and the number of officers who were found involved in the sale of lottery tickets; and

(d) the action taken against them and the present position of their P&ses?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI): (a) to (d) According to the State Bank of Indore, a circular was issued from their Head" Office to their 162 branches and 2 Zonal Offices in May, 1985 to sell lottery tickets on behalf of Indore Table Tennis Trust to help them in raising funds for construction of Table Tennis Stadium at Indore. The total value of lottery tickets sold by the various branches of the bank was Rs. 4,19,680/-.

As per the Banking Regulation Act, a Bank can do things as ere incidental or conducive to the promotion or advancement of its business. The State Bank of Indore have reported that this activity was aimed at mobilising deposits for the bank and also creating goodwill by supporting the cause of promoting sports in the area of Bank's operations. The service was rendered without charging any commission.

As the proposal for selling of lottery tickets was duly approved by the Bank and the tickets were sold during the routine working hours of the Bank, the question of taking any action against any officer of the Bank for sale of lottery tickets does not arise.

Export of Cigarettes

248. **DR.** YELAMANCHILI SIVA JI : Will the Minister of COMMERCE be pleased to state:

(a) whether it is a fact that the export of cigarettes has declined considerably and if so, what are the reasons therefor;

(b) what steps are being taken to boost the export of cigarettes; jand

(c) whether such exports are made. by any State agencies or through bilateral agreement ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI PR- DAS MUNSHT): (a) Yes, Sir. The main reasons for decline in export of cigaretters are:—.

(i) USSR, the major purchaser of Indian Cigarettes, has, drastically reduced its purchases of cigarettes from about 2809 million pieces in 1986 to about 500 million pieces in 1989;

(ii) Heavy competition from, USA, UK, Bulgaria and west Germany;

(iii) Tar and nicotine levels of Indian Cigarettes are usually higher than normal allowed , limits;

(iv) Massive campaign by multinational companies and heavy brand loyalty of the customers;

(v) Uncompetitiveness of Indian cigarettes price-wise and poor packing; and

(vi) Decline in cigarette consumption especially in 'tie-Middle East Countries.